

# UCIDA

Ulster County Industrial Development Agency

## 2010 Internal Control Assessment

### A. Define Major Business Functions

- Issue Bonds
- Grant Tax Incentives
- Real Estate Development
- Financial Operations
- Administration

### B. Determine the Risks Associated with Operations

#### Assess Risk Exposure

- |                           |                  |
|---------------------------|------------------|
| ➤ Issue Bonds             | Moderate         |
| ➤ Grant Tax Incentives    | Moderate         |
| ➤ Real Estate Development | High             |
| ➤ Financial Operations    | Moderate to High |
| ➤ Administration          | Low              |

#### Risks

- Improper influence of Projects or Taxing Jurisdictions on UCDC
- Improper influence of UCDC on Projects or Taxing Jurisdictions
- Conflicts of Interest
- Inappropriately Deviated PILOTS
- Project does not accomplish its goals
- Fraud in Financial Operations

### C. Internal Control Systems in Place

- Mission Statement
- By-Laws
- Policies
- Procedures
- Contract with UCDC

### D. Assessment of the Effectiveness of Internal Controls

- CEO's review of CFO and Administrative functions
- Audit Committee Meetings
- Governance Committee Meetings
- Annual Reports
- External Audit

### E. Corrective Action

- Actions are developed when weaknesses are identified
- Actions are adopted by the board and monitored by management